



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

FINANCE & PERFORMANCE SCRUTINY 4 September 2023

Wards affected: ALL WARDS

SUNDRY DEBTS – Q1 2023/2024

Report of Head of Finance (Section 151 Officer)

1. Purpose of report

1.1 To inform members of the position on sundry debts as at 30 June 2023.

2. Recommendation

2.1 That the committee note the current aged debt position for sundry debts.

2.2 That the committee note that a report will follow at the next meeting on the action being taken on recovery of estates debt.

3. Background to the report

3.1 As at 30th June 2023, the overall sundry debt was £2,167,650. The current balance can be broken down by age as follows:

Description	
Credits, Refunds and Payments	-£244,714
Not Yet Due	£184,361
< 30 Days	£726,666
30 - 59 Days	£110,817
60 - 89 Days	£25,914
90 - 119 Days	£158,205
> 120 Days	£1,206,401
Total Debt	£2,167,650

3.2 The Council has a KPI for debt over 90 days old as a percentage of aged debt, not exceeding 25%. The performance for the end of June 2023 was 29.31%, this is after amendment for items that are known to be covered by agreement, council policy, are in dispute or are to be written off. The total number of invoices over 90 days is 1836 with an average value of £743. This has decreased from 2,068 since the last quarter. The other primary reason for the increased in performance is due to overall debt levels decreasing from £3.304 to £2.168m.

	£	Description
Total debt	2,167,650	
	-330,004	Homelessness
	-516,038	Installment Plans
	-185,628	In Dispute
	1,135,981	(A)
Over 90 days	1,364,607	
	-330,004	Homelessness
	-516,038	Installment Plans
	-185,628	In Dispute
	332,938	(B)
Performance	29.31%	Over 90 days/Total debt (amended) B/A
Target	25%	

3.3 In order to ensure that the Council adopts a prudent approach to accounting for debt that might not be due, a “provision for doubtful debts” is made against the year-end balance. The value of this provision is £94,000 based on the review as part of the closedown procedure.

3.4 The split of the current debt position over 90 days by type of debt is detailed below. Homelessness Bonds continue to increase. The provision of these bonds is funded by the Council’s Homelessness Prevention Grant which is provided by the DLUPHC. The element relating to other Local Authorities primary relate to charges for shared services. Most of this income has been received in July.

3.5 Action is being taken to recover the debts where possible. Whilst efforts are made to recover these amounts through ongoing contact with tenants by housing and revenues and benefits officers, legal action is not generally taken in these cases. This is on the basis that it is unlikely that the debtor will also be able to pay the additional charges levied and to uphold the “sentiment” of the Council’s Anti-Poverty Strategy.

3.6 The table below gives the breakdown of debt over 90 days as at the June 2023.

Sum of Total Outstanding over 90 days	Q2 £	Q3 £	Q4 £	Q1 £	Q1 to Q4 £	%
Building Control	19,837	19,320	19,320	19,320	0	0.00%
Environmental Health	8,002	2,741	2648	2538	-107	-4.14%
Estates	415,337	472,177	431,389	491,253	59,864	13.88%
Green Spaces	3,113	1,581	1,327	1,874	547	41.25%
Grounds Maintenance	4,793	6,847	6,847	6,847	0	0%
Homeless	354,702	285,101	310,742	330,004	19,262	6.20%
Housing	131,493	209,298	269,442	267,119	-2,323	-0.86%
Markets	3,604	3,726	3,594	491	-3,103	-86.35%
Other	47,083	24,945	21,130	19,540	-1,590	-7.52%
Refuse/ Recycling	28,383	23,498	13,514	22,382	8,868	65.62%
Other LA	36,600	47,369	47,369	93,679	46,311	97.77%
Licensing	744	1,414	2,049	2,719	670	32.70%
Pest Control	0	0	0	0	0	0%
Planning	374,767	533,577	378,427	37,385	-341,042	-90.12%
Housing Repairs	24,771	34,594	35,031	37,159	2,127	6.07%
Finance	9,186	7,741	8,641	10,771	2,130	24.65%
Atkins Building	14,214	14,899	12,356	17,586	5,230	42.33%
Waste Services	0	2,566	0	0	0	0%
Leisure	3,044	3,004	3,004	3,004	0	0%
Human Resources	0	0	0	0	0	0%
Street Scene	632	5,552	1,075	937	-138	-12.79%
Total	1,480,305	1,699,951	1,567,903	1,364,607	-203,297	-14.90%

4. Exemptions in accordance with the Access to Information procedure rules

4.1 Report is taken in an open session.

5. Financial implications [IB]

5.1 Contained within the body of the report.

6. Legal implications [MR]

6.1 The legal implications are contained within the report.

7. Corporate Plan implications

7.1 Sundry Debts contributes to delivery of all Corporate Plan objectives.

8. Consultation

8.1 None

9. Risk implications

9.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) risks		
Risk description	Mitigating actions	Owner
Failure to recover debt owed to the Council	Robust recovery methods and monitoring.	A Wilson

10. Knowing your community – equality and rural implications

10.1 Any future reviews of the Debt Recovery Strategy will be impact assessed to understand any impacts on our community (i.e., ability for those on lower incomes to pay).

11. Climate implications

11.1 Climate implications are considered by services, therefore where applicable will be reflected when individual debts are raised.

12. Corporate implications

12.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications
- Planning implications
- Data protection implications
- Voluntary sector

Background papers:
Contact Officer:
Executive Member:

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